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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, FEBRUARY 15, 2002

COMMONWEALTH OF VIRGINIA, ex rel.

ROBERT E. LEE JONES, JR.

v.

CASE NO. PUC990157

MCI WORLDCOM NETWORK
SERVICES OF VIRGINIA, INC.,

and

MCI WORLDCOM COMMUNICATIONS OF VIRGINIA, INC.

ORDER GRANTING PARTIAL SUSPENSION UPON POSTING OF APPEAL BOND

On January 23, 2002, the State Corporation Commission ("Commission") issued an Order on Reconsideration in this matter. On February 4, 2002, MCI WORLDCOM Network Services of Virginia, Inc., and MCI WORLDCOM Communications of Virginia, Inc. (collectively "MCI WORLDCOM"), filed a Notice of Appeal pursuant to Rules 5:9 and 5:21 of the Rules of the Supreme Court of Virginia.¹

On February 8, 2002, MCI WORLDCOM filed its Petition to Suspend, which requests the Commission to suspend the

¹ MCI WORLDCOM notes its appeal both of the Final Order, entered August 22, 2001 (subsequently suspended on September 11, 2001), and of the Order on Reconsideration entered January 23, 2002.

requirement, pending appeal, to file on May 20, 2002, in Case No. PUC000237, intrastate rates and charges for its Inmate Telephone Service ("ITS") "with supporting cost data, based on the ratemaking provisions of Chapter 10 of Title 56 of the Code of Virginia."²

MCI WORLDCOM further requests the Commission to exempt from regulation, pending appeal, any transactions that may otherwise be reviewed under the Utility Stock and Affiliates Acts,

Chapters 3 and 4 to Title 56 of the Code of Virginia. MCI

WORLDCOM notes that § 56-55 of the Code of Virginia defines

public service companies regulated under the Utilities Stock Act as public utilities "subject to regulation as to rates and service by the State Corporation Commission under the provisions of Chapter 10 . . . of this title " It is also noted that the Utility Affiliates Act, Chapter 4 to Title 56 of the Code of Virginia, regulates similarly defined public utilities.

Therefore, by our finding that ITS rates should be based upon the ratemaking provisions of Chapter 10, MCI WORLDCOM now seeks exemption from regulation of undefined transactions.

Finally, MCI WORLDCOM requests the Commission to grant the requested suspension of our Order on Reconsideration without the

² The ITS refers to the Maximum Security Collect call intrastate interexchange telecommunications service, as identified in Ordering Paragraph No. 2 of the Order on Reconsideration, entered January 23, 2002.

filing of a suspending bond or irrevocable letter of credit, as set forth in § $8.01-676.1(\mathrm{H})$ of the Code of Virginia.

The Commission finds that Ordering Paragraph No. (2) of the Order on Reconsideration should be suspended, pending appeal.³

The Commission finds that no further relief, including exemption from regulation of undefined transactions, is warranted, pending appeal.

The Commission is confident of the ability of MCI WORLDCOM to meet its obligations under the Orders of this Commission and of the Supreme Court of Virginia. Nevertheless, § 8.01-676.1(H) of the Code of Virginia requires the filing of a suspending bond or irrevocable letter of credit. Therefore, we will require MCI WORLDCOM to file an unsecured appeal bond in the amount of ten thousand dollars (\$10,000) with the Clerk of the Commission before the partial suspension granted herein becomes effective.

Accordingly, IT IS ORDERED THAT:

(1) Ordering Paragraph No. (2) of the Order on Reconsideration, issued January 23, 2002, is suspended, pending appeal and consistent with the findings above.

On or before May 20, 2002, MCI WORLDCOM shall file with the Commission, in Case No. PUC000237, rates and charges for its Maximum Security Collect call intrastate interexchange telecommunications service, with supporting cost data, based on the ratemaking provisions of Chapter 10 of Title 56 of the Code of Virginia.

³ Ordering Paragraph No. (2) provides:

- (2) MCI WORLDCOM is hereby ordered to file with the Clerk of the Commission an unsecured appeal bond in the amount of ten thousand dollars (\$10,000).
- (3) The remainder of MCI WORLDCOM's Petition to Suspend is hereby denied.
 - (4) There being nothing further, this case is closed.